RECORD OF '68 DISCUSSION

The CIA Has "Cover" Problems,

By JAMES DOYLE Star Staff Writer

Early in 1963 a group including former officials of the Central Intelligence Agency and the State Department setled down after dinner at the Harold Pratt House, on New York's Avenue, to discuss some of the CIA's problems.

A record of heir conversation shows that the particular concern of the group that night was how to provide a deeper cover for Americans gathering information by using non-governmental organizations as

The participants were mem-bers and guests of the prestigious Council on Foreign Relations, men who seem to direct - foreign policy from within and without the government on a permanent basis, and publishers of "Foreign Affairs," the quarterly bible of American diploma-

A record of the discussion at the council's headquarters on that evening, Jan. 8, 1968, has been circulated to some newspapers by a group of self-styled radical scholars based in Cambridge.

It portrays with some new details, the structure and the style of the American intelligence community. The document is timely in the wake of events lastweek in London, where 105 members of the Soviet community there, including employes from the Soviet embassy, trade delegation, tourist agency, Moscow Narodny Bank and Aeroflot Airline were uncovered as espionage agents, and banned from the country without replacements.

. It was a fear of just such an incident, apparently, that domi-nated the conversation at Pratt House that night.

The U.S. "employes" whose cover constantly is endangered, the participants felt, are those who work in the American Embassies, trade delegations, and other U.S. agencies in countries around the world.

Richard Bissel, a former deputy director of the CIA who left the agency after the Bay of Pigs debacle, led the discussion. According to the record made available to The Star, he told his council colleagues that Approved For Release 2004/09/28: "CIA-RDP88" 01314R000 100540007-9

British Guiana' labor unions

agents "need to operate under deeper cover."

Bissel recounted ruefully the uproar over the CIA's exposed funding of the National Student Association's overseas actiivities and said, "The CIA interface with various private groups, inccluding business and student groups, must be remedied."

He noted that the problems of American spies overseas "is frequently a problem of the State

Department."

"It tends to be true that local allies find themselves dealing always with an American and an official American—since the cover is almost invariably as a U.S. government employe," Bissel is reported to have said.

"There are powerful reasons for this practice, and it will always be desirable to have some CIA personnel housed in the embassy compound, if only for local 'command post' and communications requirements.

"Nonetheless, it is possible and desirable, although difficult and time-consuming, to build overseas an apparatus of unoffi-cial cover," Bissel is quoted as

saying.
"This would require the use or creation of private organizations, many of the personnel of which would be non-U.S. nationals, with freer entry into the local society and less implica-tion for the official U.S. pos-

Use Non-Americans

Bissel said that the United States needed to increase its use of non-Americans for espionage "with an effort at indoctrination and training: they should be encouraged to develop a second loyalty, more or less compara-ble to that of the American staff."

He added that as intelligence efforts shifted more toward Latin America,. Asia and Africa, "the conduct of U.S. nationals is likely to be increasingly circumscribed. The primary change recommended would be to build up a system of unofficial cover. ... The CIA might be able to

and that of a staff member involved through his career in many operations, and well informed of the agency's capabili-

An unidentified former State Department official responded to Bissel that he agreed with the need to change covers, noting that "the initial agreement between the agency and State was intended to be 'temporary', but nothing endures like the ephemeral."

Another participant noted that very little attention was paid to revelations of the CIA's use of supposedly independent operations such as "Radio Free Europe." he added, "One might conclude that the public is not likely to be concerned by the penetration of overseas institutions, at least not nearly so much as by the ponetration of U.S. institutions."

This participant was quoted as saying, "The public doesn't think it's right; they don't know where it ends; they take a look at their neighbors." Then he asked whether "this suggested expansion in use of private institutions should include those in the United States, or U.S. institutions operating overseas?"

In response, clear distinctions were reportedly made between operating in the United States and abroad, and the suggestion was made by bissell, "One might want CIA to expand its use of private U.S. corporations, but for objectives outside the United States."

Fund Demands Rise

The record of the discussion did not link comment and author, but did give a general indentification of the men present. There also was a diligent removal from the authorized reporter's transcript of all specific refcreuces of agents, incidents and the like, with one noticeable lapse.

In a discussion of the effect of revelations that the CIA was financing U.S. labor union activi-ties abroad, it was noted that

"were supported through CIA conduits, but now they ask for more assistance than before. So, our expectations to the contrary, there has been no damage."

Those present and taking part in the discussion included men who have journeyed back and forth between government and corporate work, most of whom have remained near the center of the foreign policy establish-

They included Bissell, now an executive with United Aircraft Corp. in Hartford, Conn.; former Treasury Secretary Douglas Dillon; former CIA director Allen Dulles; Robert Amory Jr., a former deputy director of the CIA; Meyer Bernstein, director of international affairs for the United Steelworkers of America; columnist Joseph Kraft; former White House aide Theodore Sorensen of Kennedy and Johnson days; and Philip Quigg, recently resigned as managing editor of Foreign Affairs.

Facsimile copies of the discussion summary have been circulated by "The Africa Research Group," a dozen young scholars in Cambridge who take a radical dissenting view of U.S. foreign policy.

Reached at his home, Bisell confirmed the authenticity of the document.

He noted that in the discussion that night in New York, he had begun by saying that agent espionage was the least valuable of three main CIA missions, behind reconnaisance and electronic intelligence, the two areas where most CIA money is spent.

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